



SOCIETY OF ACTUARIES

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Reorganization

Already in your hands is a report from the Committee on Reorganization giving details of the proposed merger of the Fraternal Actuarial Association and the Society of Actuaries. The attention of all members of the Society is directed to this report since this is the first step to reorganization of the profession. The proposal will be discussed at the New Orleans meeting and your comments will be welcome. Those members who cannot attend the meeting are invited to express their views through *The Actuary* or through letters to the Committee and to the Board.

It is proposed that Board action on the constitutional changes required will be voted at the May 23 meeting in Kansas City and subsequent membership approval will be sought through a mail vote in the summer.

William A. Halvorson
Chairman

Actuarial Meetings

- April 4, Actuaries Club of Boston
- April 12, Baltimore Actuaries Club
- April 17, Chicago Actuarial Club
- April 18, Seattle Actuarial Club
- May 10, Baltimore Actuaries Club
- May 15, Chicago Actuarial Club
- May 16, Seattle Actuarial Club
- May 17, Actuarial Club of Indianapolis
- May 23, Kansas City Actuaries Club

XIII International Congress of Life Insurance Medicine

This Congress will be held in Madrid, September 23-27, 1979.

The invitation to attend includes, in addition to doctors, actuaries and underwriters. For complete information interested individuals should write to:

MANUEL MAESTRO
Organization Secretary
Secretariate of the "XIII Congreso Internacional de Medicina del Seguro de Vida"
Joaquin Garcia Morato, 151
MADRID—3, SPAIN

Letters

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have the duty of developing a uniform basis for the presentation of actuarial information and approving the actuarial assumptions and methodology to be used for the various government employee pension plans. Unfortunately, the economists in the Office of Management and Budget prevailed, and this provision for a Board of Government Actuaries was scuttled.

The justification for the action of OMB is contained in a letter from its Assistant Director for Legislative Reference (James M. Frey) to Representative Jack Brooks, Chairman of the House Committee on Government Operations, dated August 8, 1978. The objection of OMB to the creation of a Board of Government Actuaries was set forth in the following language (which it seems worthwhile to set down for the sake of historical reference):

"We see little positive advantage in setting up a new government agency to establish and approve actuarial assumptions for use by Federal retirement systems. We also question why certain professional Government actuaries, who are now appointed by agency heads responsible for administering retirement systems in question, should become Presidential appointees as members of the proposed Board.

"The issues concerned in prescribing consistent actuarial assumptions and methodology involve broad economic and demographic factors, as well as significant public policy implications that should be considered by the President or his designee, not by specialized technical staff. Accordingly, we believe the desired result would be accomplished more appropriately without creating a new Board, by vesting authority for development and use of consistent actuarial assumptions in the President or his designee.

"Vesting authority in the President would enhance the importance of the use of consistent actuarial assumptions by pension systems and would appropriately involve experts in addition to those directly engaged in administering and operating employee retirement systems. Needless to say, the President or his

Deaths

Ewen C. Armstrong, FSA 1927
Jerome B. Crouse FSA 1970
John M. Laing, FSA 1912
Henry J. Southern, FSA 1949

ARTHUR A. MCKINNIE

Arthur McKinnie died in Springfield, Illinois on November 29, 1978 after a long illness.

Mr. McKinnie was the first Executive Secretary of the Society of Actuaries and served in that office for twenty-two years, retiring in 1971. In that period he saw the membership of the Society grow from 1,074 to 3,847 and served under twenty-two presidents.

Our members who were active in Society affairs during the 1950's and 1960's, especially those who served on Boards of Governors during these decades, will remember him with appreciation and affection. □

Society Examinations Seminars

NORTHEASTERN UNIVERSITY

Seminars for Parts 5, 7, 9-US of the Society Examinations will be held between March 5 and May 3, 1979.

Complete information may be obtained from
DEAN GEOFFREY CROFTS
Graduate School of Actuarial Science

Northeastern University
360 Huntington Avenue
Boston, Massachusetts 02115
Telephone (617) 437-2324

designee would undoubtedly call upon the enrolled actuaries for these systems, including the Government Actuary in Treasury, as well as outside actuaries, for their specialized expertise. Moreover, our recommended approach would avoid the establishment of a new Federal agency, contrary to the Administration's commitment to reduce the number of independent Government agencies."

Some reasons given for opposition to the creation of the Board are spurious, such that this would establish an independent Government agency. The real reason is, in my opinion, the notion that economists can take over the substantive part of actuarial work in the Federal Government, leaving only the arithmetical computations to the actuaries!

Robert J. Myers